

**CHELMSFORD COLLEGE
AUDIT COMMITTEE
17 November 2020**

Minutes of a Meeting of the Committee held in the Committee Room, Moulsham Street Campus, Chelmsford and via video conferencing through MS Teams on Tuesday 17 November 2020 at 4.30 pm.

PRESENT: Susan Hughes (Chair)
Jenny Beaumont
Trevor Bolton
Amanda Montague
Jaya Patten
Julie Williams
Doug Zeeman

IN ATTENDANCE: Andy Sparks (Principal)
Caroline Williams (Deputy Principal)
Debs Hurst (Vice Principal, Finance & Corporate Services)
Mark Emerson (Director of Information Services)
Paul Goddard (Scrutton Bland, IAS)
Stephanie Beavis (KPMG, external auditor)
Nathan Ackroyd (KPMG, external auditor)
Rob Millea (Clerk to the Corporation)

The Principal, Julie Williams and the Clerk attended the Meeting in person and all other participants attended via MS Teams.

647. APPOINTMENT OF CHAIR OF COMMITTEE FROM 1/1/21

The Clerk took the chair for this item and called for nominations to be Chair of the Committee when the current Chair's term ends on 31 December 2020.

One nomination was received for Jenny Beaumont and she was elected men con.

The Chair then resumed the chair.

648. APOLOGIES FOR ABSENCE AND WELCOME TO NEW MEMBER

There were no apologies for absence.

The Chair welcomed Julie Williams (Staff Governor) to her first Meeting as a Member of this Committee. Julie was appointed by the Board on 13 October 2020 (by email) and replaces Stuart Hodges on this Committee, whose extended term of office (see minute **644**) ended on that date. The Clerk reported that he had written to Stuart and thanked him for his service over the past four years to the Board and to this Committee.

All members of the Committee introduced themselves to Julie.

649. DECLARATIONS OF INTERESTS AND CONFIDENTIAL ITEMS

The Clerk declared his interest as Company Secretary of Essex Shared Services Limited.

KPMG declared their interest as external auditors of South Essex College and Essex Shared Services Limited.

Scrutton Bland declared their interest as Internal Auditors of South Essex College and Essex Shared Services Limited.

The Committee noted that the Principal and the Chair of the Corporation are both directors of Essex Shared Services Limited, although neither serves on this Committee.

Debs Hurst declared her interest as a Members' Representative on the Essex LGPS Pension Advisory Board.

No Confidential items were notified.

650. MEETING WITH THE AUDITORS PRIVATELY

The Committee met privately (using MS Teams) with the Internal Auditors and External Auditors without Management being present. The last such Meeting took place on 25 June 2019. It is the Committee's policy to have such a Meeting at least annually.

The Clerk will provide confidential feedback on the discussions to Management.

651. MINUTES OF THE MEETING HELD ON 23 JUNE 2020

The Minutes of the meeting held on Tuesday 23 June 2020 were **APPROVED** and will be **SIGNED** by the Chair of the Meeting in due course.

652. MATTERS ARISING

The Clerk **PRESENTED** a Paper outlining Matters Arising from the previous Meeting of the Committee on 23 June 2020, noting the Actions taken as a result.

The Committee **NOTED** that the full Board, at its Meeting on 25 September 2020, had reviewed the revised Financial Regulations (unchanged from last year) and noted that two Appendices are to be completed and will be tabled at the Board Meeting on 4 December 2020, when it is intended that the whole document will be approved. Following the memorandum from KPMG external audit there will be an update to the Overseas Travel approval section and delegated approval via the EVOLVE system as well as the procurement section in relation to BREXIT.

The Committee further **NOTED** that the Board, at its Meeting on 25 September 2020, approved the ACOP Regularity Self-Assessment Questionnaire 2019/20. This was signed by the Chair of the Corporation and the Principal as Accounting Officer, and passed to KPMG for regularity audit purposes.

The Committee **NOTED** that the Board on 23 July 2020 had approved the use of 1% pay award for staff for actuarial purposes as there is no likelihood of a higher increase being possible for some years.

The Committee **NOTED** that the ILR Report will come to the next Meeting of this Committee once all end of year returns has been completed.

All other Matters Arising are dealt with elsewhere within this Agenda.

653. RISK MANAGEMENT REPORT

This Report was **PRESENTED** by the Vice Principal, Finance & Corporate Services, comprising Risk Dartboard, and up to date Risk Register.

653.1 Risk Register and Dartboard

The College Risk Register, recently updated, was considered by the Committee. There are currently 23 key risks made up of 5 RED risks, 14 AMBER and 4 GREEN. This is an increase of 5 risks from the previous iteration.

The GREEN risks are shown on the register but only four (Goldlay project, exam U turns, IT hardware and SP/EL learner numbers) are on the dartboard.

The Risk Register is primarily COVID-19 based either directly (e.g. virus protection measures, IT infrastructure for teachers) or indirectly (e.g. IT for students, going concern, capital funding for construction centre).

There are five RED risks:

- Virus protection measures
- Learner capacity on campus
- Engineering Awarding Body grades challenge
- IT infrastructure for teachers
- Bank covenant with Lloyds

The Committee noted that two RED risks have moved to AMBER – going concern and learner technology. The VPFCS referred to the move of mental health for staff from a GREEN risk to an AMBER risk reflecting these very difficult times – learner mental health is also rated an AMBER risk.

The Report explained these risks in more detail. In particular, the Committee noted that negotiations are ongoing with Lloyds to review the covenant for 31 July 2021 given that it has been breached recently in view of the ongoing pandemic.

The Committee were also informed that the Deputy Principal and the VPFCS have developed a specific risk dashboard for Curriculum Areas which was shared (as a draft) with the Quality & Learners Committee at its last Meeting on 3 November 2020. It demonstrates the specific issues in each curriculum area and the Committee were provided with the draft.

Governor Questions

The Chair observed that the workload and pressure on the SMT in this difficult time due to COVID is not a RISK on the dashboard. The Principal said that it is of concern because COVID is dominant and the Committee **AGREED** that SMT workload should be a RISK on the register.

The VPFCS suggested that, because the UK counter terrorist level has recently been increased to its highest level, this should be added to the risk register as a new RISK to the risk register and this was **AGREED**.

Trevor Bolton asked if the classification of exam 'u' turns is appropriate as a GREEN risk. The Deputy Principal said it is a risk which is probably getting higher given Government concern over examinations, their assessments and their timing. The College has set up a working group for examinations during 2020/21 and the challenge for exams teams is likely to be considerable.

The Committee **NOTED** the points made on these risks in the Report and **AGREED** proposed amendments.

The Committee were reminded that review of the Risk Register is a standard agenda item at regular SMT Meetings and is therefore scrutinised on a continual basis.

The Committee **RECEIVED** the Report.

653.2 Risk Management Policy

The Committee **RECEIVED** the revised Policy for review. Only minor amendments were necessary from the previous review in August 2019, namely, removal of references to Assurance Mapping and explaining that the Risk Register is updated on a six-weekly basis.

The Committee **RECOMMENDED** that the Policy, as amended, be approved by the Board on 4 December 2020.

654. INTERNAL AUDIT

654.1 Internal Audit Completed Reports 2019/20

Final Audit Reports relating to the 2019/20 year regarding GDPR Health Check (a draft having been considered by the Committee at its last Meeting) and Subcontracting were tabled.

In respect of the **GDPR** Report, action is required on **two medium level** recommendations and **one low level** recommendation. The medium level items are:

- Staff GDPR training
- Completion by departments of a personal data mapping exercise

Both of these recommendations were agreed by Management with deadline dates for completion of December 2020 and April 2021.

One **value added point** was raised suggesting that a third person should be introduced with GDPR responsibilities to mitigate the risk of the DPO and his Deputy not being available at the same time.

Mark Emerson made the point regarding training that, although 33% of staff (111) has not had GDPR training, about one third of this number (approx 33) was cleaning/catering staff with limited access to personal

information. There is an ongoing issue, also, with staff correctly and completely recording training session within the College CPD system.

As it was a **health check**, Scrutton Bland did not issue an opinion on GDPR compliance.

In respect of **Subcontracting**, the Report gave **significant** assurance and raised **two low level recommendations**.

The low-level recommendations were to ensure that ESFA AEB funding rules be included in contracts with any subcontractor and, to maintain due diligence of subcontractors (COVID-19 risks on those businesses), the procurement of subcontractors' management accounts.

The Report was certified by Scrutton Bland, was signed by management and sent to the ESFA.

654.2 Internal Audit Annual Report 2019/20

Scrutton Bland **SUBMITTED** their Annual Report 2019/20 detailing the work done and their findings. They carried out 15 days of work for the College covering seven assignment reviews, including Essex Shared Services Limited assignments.

The completed audits were

- ESS cashflow and income and debtors (strong assurance)
- Safeguarding and Prevent (significant assurance)
- ESS General Ledger (significant assurance)
- Subcontracting (significant assurance)
- Capital Projects health check (significant assurance)
- Nursery Ofsted inspection preparation health check (significant assurance)
- GDPR health check (no opinion given)

The Committee received Reports on all these audits at previous Meetings of the Committee during 2019/20, save for Subcontracting Controls and the final version of the GDPR health check assignment.

Overall, therefore, there were four assurance Reports completed in the year and three Health checks, with the assurances as noted above.

In these Reports, no high risk recommendations were made – there were 3 medium risk recommendations and 14 low risk recommendations.

The Committee were pleased with the benchmarking information provided by the internal Auditors against other FE clients of theirs and this provided further assurance to the Committee.

Scrutton Bland reminded the Committee that the extent of the Internal Audit Plan is not of sufficient size to enable them to provide opinions on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

Scrutton Bland thanked management for their cooperation and hospitality during the year. The Committee also thanked the Senior Management Team for their efforts during the year.

The Report was **RECEIVED**.

654.3 Internal Audit Completed Report 2020/21

One audit assignment has been completed since the last meeting of the Committee on **Health and Safety** and the Report was **RECEIVED**.

Reasonable assurance was provided. The substance of the review was to assess the risk of whether a Health and Safety incident, injury or fatality occurs, looking at the cause and effect of such an incident, by ensuring that the College has adequate health and safety management practices in place to provide a safe working and learning environment, which complies with relevant legislation.

Paul Goddard of Scrutton Bland noted that the audit included a one-day site visit at the College where COVID related issues and processes could be physically and visually assessed. He raised no concerns from this site visit.

Two medium level recommendations were made:

- Induction and refresher training for staff (and its recording)
- Risk assessment reviews (evidence thereof and documented within the College intranet and in the areas concerned)

The Principal said that the second bullet point above remains a challenge for the College and it is recognised that closer review and updating is necessary.

Two low level recommendations were made:

- Recording of accidents and incidents fully completed and logged
- All health and safety signage to be up to date and on clear display

A **value-added** point was noted during the audit regarding a staff office at Princes Road being unlocked and unattended with a PC in the room not being secure.

The VPFCS stated that Health & Safety refresher training is not included in the Health & Safety Policy. This will be reviewed at the next Health & Safety Committee meeting as to what 'refresher' training is required and at what intervals.

The VPFCS said there is a new Estates & Facilities Manager who will take on board the recommendations noted above, especially relating to risk assessments and their display and intranet documentation.

The Health & Safety Annual Report for 2019/20 will be presented to the December 2020 Board Meeting.

It is intended that Steve Hope (Director – Health & Safety) will give a presentation to the Committee at its March 2021 meeting.

ACTION: CLERK

The Report was **ACCEPTED**.

654.4 Internal Audit Progress Report 2020/21

This was **PRESENTED** by Scrutton Bland showing progress to date (Teacher Pension Contributions Review and Health & Safety audit). The Report showed the planned dates for the rest of the year's assignments.

The TPC review was **advisory** and was carried out in September 2020 and concluded that TPC are being correctly made and no concerns were therefore raised.

The Report was **RECEIVED**.

654.5 ESS Limited – Audit Assignments 2020/21

The ESS Limited Board met on 9 November 2020 and decided that two assignments would be carried out during the year: Budgetary Control and Procurement.

The VPFCS did not feel an audit of Budgetary Control would constitute value for money for Chelmsford College (it has been audited quite recently) and that an audit focusing on the Preparation of the Annual Report and Accounts incorporating General Ledger end of year reconciliations would be more valuable. The General Manager of ESS will arrange this with Scrutton Bland.

ACTION: VPFCS

The Committee **AGREED** that the ESS Ltd audits for the year relevant to Chelmsford College would be Procurement and End of Year Accounts Preparation.

654.6 BUSINESS CONTINUITY AND DISASTER MANAGEMENT

The Committee **RECEIVED** a verbal Report from the Principal on the above topic. The Committee were reminded that Crisis Management Meetings are normally held once per term, but, due to the COVID-19 pandemic and the associated lockdown of the College and Health & Safety issues, such Meetings have been held more frequently and continue to be so.

Management confirmed that a Detailed Action Plan is in place to handle Critical incidents and it is regularly reviewed.

The VPFCS and the Principal commented on the process in this area in the College which has been considerably escalated due to COVID, with a clear focus on that issue. The Principal mentioned the frequency of meetings during lockdown and since to deal with the College response to the pandemic.

The Committee noted that other areas of concern in the City of Chelmsford have reduced because of the pandemic – e.g. knife crime, bad behaviour, drug issues and County lines etc. There has been a reduction in behavioural issues in the College due to the reduced number of students on campus and the wider environment.

655. Outstanding Audit Recommendations

The Committee **RECEIVED** a summary of previous recommendations and actions taken.

Ten recommendations were itemised and deadline dates are noted with which the Committee **AGREED**. In each case, actions are in hand. It was noted that deadline dates have in some instances had to be extended due to pressures on staff in actioning those recommendations due to COVID-19.

Four of the ten recommendations are now completed and will be removed from the next iteration.

The Committee otherwise **NOTED** the Report.

656. ANNUAL REPORT AND ACCOUNTS 2019/20

The Vice Principal, Finance & Corporate Resources **PRESENTED** the following documents for consideration by the Committee:

- Draft Annual Report and Audited Financial Statements of the College Group for the year ended 31 July 2020, including the Regularity Audit Opinion
- Draft Audit Highlights Memorandum from KPMG
- Supplementary Regularity Audit Questionnaire (COVID related) together with Government supplementary publication on the ACOP and College Accounts Direction 2019/20
- Draft Reports and Financial Statements for the year ended 31 July 2020 for Dovedale Nursery CIC (College subsidiary)
- Going Concern Report
- Teachers' Pension Agency Return

The Committee also received a copy of the draft accounts of Essex Shared Services Limited for information. These have been reviewed by the Board of ESS and are subject to final tax adjustments and textual and technical review. They will be approved by the ESS Board by email before the College ARA is approved on 14 January 2021.

656.1 COLLEGE GROUP FINANCIAL STATEMENTS

The Surplus in the Annual Financial Statements for the College Group has been reconciled to the surplus as per the Management Accounts, the movements being primarily in connection with pension fund accounting under FRS102, which turns an operating surplus of £55k into an overall deficit of total Comprehensive Income of £3,459K.

For the year, the actuarial loss in respect of the LGPS amounted to £2,757K and there were LGPS pension interest costs of £124K and direct LGPS pension costs of £633K.

Some adjustments to complete the Financial Statements were received from the Chair of the Corporation (as Finance Governor) and the Clerk and these will be processed before approval on 14 January 2021 plus anything further which arises from final checks by the College and the external auditor.

So far, there are no audit adjustments identified to the Accounts of the College or Dovedale Nursery CIC and KPMG indicated that they were hopeful of issuing unqualified opinions on the two entities and an unqualified regularity audit opinion, subject to satisfactory clearance of outstanding points covered elsewhere in these minutes.

The Dovedale Nursery surplus for the year amounted to £40K and a gift aid donation to the College via a cash payment is proposed amounting to £28K.

The Committee noted the acceptable result for the year in what continues to be an extremely tight financial climate in the sector, coupled with the financial challenges of the coronavirus pandemic.

The Committee discussed the College's Financial Health. Based on the ESFA financial methodology, the College's Financial Health at 31 July 2020 remains as Requires Improvement as last year. Based on the draft Financial Plan 2020 to 2022 which will be submitted to the ESFA, it is expected to remain as Requires Improvement for 2020/21.

In computing the actuarial loss, the Committee were reminded that the Board had approved a 1% salary increase assumption for the foreseeable future.

This issue will be included in the Letter of Representation to be requested by KPMG as part of their final audit procedures. The College will confirm to KPMG stating that the College has challenged the assumptions used by the actuary with regard to salary levels. This demonstrates the College's scrutiny.

The Committee **NOTED** the draft Annual Report and Accounts for the College Group and Dovedale Nursery CIC and that they be **APPROVED** by the Board at its Special Meeting on 14 January 2021, subject to the outstanding points noted above being satisfactorily completed.

656.2 GOING CONCERN REPORT

The Vice Principal, Finance & Corporate Resources **PRESENTED** a Going Concern Report to provide assurance to the Committee that the College is considered to be a Going Concern for the period of twelve months after the approval of the 2019/20 accounts (i.e. to January 2022) and to enable it to recommend accordingly to the Board on 14 January 2021 as part of the accounts approval process.

The proposed wording relating to Going Concern in the Members' Report was provided to the Committee.

The risks considered were as follows:

- Debt Management including assertions that the College will have sufficient cash resources within its current facility to operate supported by ESFA rolling cash flow forecast showing that cash will increase from £500K at 31 July 2020 to £635K by July 2021

- Recruitment of 16-18 year old students for 2020/21 is only slightly below last year but a further lockdown and the impact of any virus spread may affect the lagged learner model
- Capital Expenditure: monies have been received to improve category D assets (Rubb Tents and boiler replacement at Princes Road)
- Control of capital expenditure for 2020/21 in order to increase cash holdings
- Budget Surplus: a break-even position is predicted for 2020/21 reflecting the ongoing pandemic and issues arising from that
- Going Concern issue

The key risks are an inability to maintain/increase the cash position due to prolonged lockdown and reduced commercial activity (e.g. Nursery) and the break-even position not being achieved due to shortfall against income targets and/or higher than expected expenditure.

The Committee **NOTED** that the College's Financial Health as advised by the ESFA (letter dated October 2020) at 31 July 2020 was Requires Improvement and, based on the draft ESFA Financial Plan, would remain as Requires Improvement for 2020/21.

The Committee noted the financial risks to the College taken into account in this Report and, having considered these risks and the accounts and budget and cash flow projections for the twelve months following the date of signing of the accounts (expected to be 14 January 2021), believes that the College Group is a Going Concern with the caveat that the debt covenant issue be resolved.

The VPFCS said that cash was the main factor in the College being able to improve its Financial Health from Requires Improvement to Good (as more cash will improve the current ratio). Therefore, the College will be monitoring cash extremely closely.

The VPFCS explained that the Lloyds Bank debt service cover at 31 July 2021 had been breached. The covenant required an increase in cash holdings year on year by 10% but the College's ability to achieve this was not met due to COVID-19 and the resulting lower surplus earned in the year.

As a result, the total debt due to Lloyds is shown in the balance sheet in full as a current liability (£2.4 million) whereas normally only £0.3million of the debt would feature as current liabilities (the portion repayable within one year).

The VPFCS made the following further points:

- Discussions are underway with Lloyds to review the covenant for the current year to obviate any risk of breach
- The auditors (KPMG) are concerned that the reclassification of the debt is a 'material uncertainty' in respect of whether the College is a going concern
- Lloyds are not prepared to issue a formal waiver regarding the covenant at 31 July 2020, however Lloyds have given no indication that they would call in the debt in full on demand (as they could do)

KPMG expressed the view that the Going Concern wording presently included in the draft Financial Statements does not include any reference to the covenant breach and the effect that the entire Lloyds loan is now classified as a current liability. They believe that this constitutes a 'material uncertainty' as to the College's going concern status.

They further believe that such a reference should be included and that there should be some corroborating evidence from Lloyds that, despite the breach, they will not require repayment of the loan on demand.

If this is not forthcoming, they would have to consider the effect on their Audit Report.

This matter will be reviewed by the Board when the Accounts and Report are presented for approval at the Special Board Meeting on 14 January 2021.

Amanda Montague believed that this was a significant issue. The VPFCS will continue negotiations with Lloyds to procure some assurance from them that they will not seek repayment on demand and that the normal repayment conditions pertaining to the loan will not be changed. Furthermore, there will need to be discussions regarding a revision of the covenant for the year ended 31 July 2021.

It was **AGREED** that this matter should be discussed with the FE Commissioner and the ESFA as this needs to be closed off in order that the risk of the loan having to be repaid on demand is removed.

ACTION: VPFCS

It was noted that the ESFA Standard rolling cash flow template is being used by the College in the Financial Plan for 2020/22.

Therefore, the Committee **NOTED** the Report and that it will be finalised, including the disclosure in the Annual Report, for presentation to the Board as part of the accounts approval process. This will include clearance of the debt service cover covenant issue, noted above.

At that Meeting the Board will be asked to confirm that, in their opinion, the College is a Going Concern for the twelve-month period from 14 January 2021, following a final review of the circumstances at that date.

656.3 KPMG AUDIT HIGHLIGHTS MEMORANDUM

Nathan Ackroyd of KPMG led the Committee through the detail of the KPMG Audit Highlights Memorandum and made the following points:

The Committee noted the following outstanding points in connection the approval of the accounts:

- Letters of Representation for the Group and the subsidiary company (Dovedale Nursery CIC)
- Letter of Comfort from the College to KPMG in respect of Essex Shared Services Limited (joint venture company) noting that South Essex College also provides such a letter for ESS
- Some items in connection with completion of audit work on the financial statements (DB pension scheme, staff costs disclosures, final ESFA confirmation of funding and **going concern assessment** (see **656.2**)
- Final post balance sheet events review, including final audit report

There were no significant findings arising from the areas of significant accounting judgement identified by KPMG during their planning stage.

KPMG recited the significant risks they had addressed during the course of the audit, which are documented in the Memorandum.

KPMG still to complete their audit of Going Concern – see comments under **656.2** above.

The liability is therefore classed as a current liability for this reason and the lack, at this stage, of a letter from Lloyds accepting that they will not be requiring repayment of the loan on demand but that the normal conditions of repayment of the loan will not be changed.

KPMG are comfortable, so long as they can complete their review of the Going Concern issue satisfactorily, they will be able to sign an unqualified opinion on the Accounts and an unqualified Regularity Audit Opinion.

KPMG reported a number of audit recommendations (2 medium priority and five low priority) to which Management had responded. These are detailed in the Memorandum and will be rectified as soon as possible. The

action taken will be reported back to the Committee at future Meetings under the agenda item – Previous Audit Recommendations.

The two medium priority matters were:

- Bank reconciliations review not performed uniformly during the year and not documented
- Change of signatory required on NatWest bank account (balance £3K)

The new General Manager of ESS is attending to the bank reconciliation issue and the VPFCS is rectifying the signatory issue.

The Committee noted a low priority issue regarding the financial statement review process and the timing thereof. The Committee noted that an internal audit review is proposed for this area during 2020/21 (see **654.5**).

KPMG also explained the audit differences arising in the audit. There was a notional difference arising from the pension valuation under FRS 102 but this was not considered material and KPMG did not advocate any change to the accounts. The Committee noted that any pension valuation is a snapshot at a point in time and does not crystallise a liability.

The Committee **NOTED** the Report from KPMG.

656.4 SUPPLEMENTARY REGULARITY QUESTIONNAIRE

The VPFCS **TABLED** the Supplementary Bulletin to the College Accounts Direction 2019-20 and the Post-16 Audit Code of Practice for the information of the Committee. This document outlines COVID-19 related issues in connection with the preparation of the Accounts of Colleges for 2019/20 and on the regularity audit questionnaire.

A requirement of the Bulletin is that Colleges should prepare and submit to the regularity auditor an Annex to the Regularity Self-Assessment Questionnaire.

This Questionnaire was approved by the Board on 25 September 2020, signed and submitted to the regularity auditor. The completed Annex was reviewed by the Committee and **AUTHORISED** to be submitted to the regularity auditor.

The content relates entirely to COVID-19 related issues – application of the job retention scheme, contractual issues with employees, the furlough scheme, measures to secure continuing strong internal control

procedures, governance issues and relevant adjustments to adjust to the impact of the pandemic.

656.5 TEACHERS' PENSION AGENCY RETURN

The certificated return of contributions to the Teachers' Pension Agency for 2019-20, audited by KPMG, external auditors, and certified by the Principal, has been completed.

No material issues arose from the certification process.

The Committee **NOTED** that Scrutton Bland had carried out an advisory review of Teachers' Pension Contributions and concluded that contributions were being correctly made and no concerns were raised.

657. ANNUAL DATA PROTECTION REPORT 2019/20

The Committee **RECEIVED** and **DISCUSSED** the above Report. The Report is provided to give assurance to governors as to the College's activity in this area and its compliance with good practice.

The Committee were reminded that Doug Zeeman is the designated GDPR/Data Protection governor.

A health check on GDPR had been carried out during the year by Scrutton Bland and the results of this work are included in the Internal Audit section of these minutes.

The Report highlighted the achievements since the GDPR Regulations came into force on 25 May 2018 (mandatory requirements):

- Implementation of the Employer portal to better manage contact with employers and their apprentices
- Implementation of retention rules
- Updated remote access for staff rolled out just before March lockdown
- Deployment of the Microsoft Office 365 suite of applications, particularly the implementation of MS Teams to support remote learning safely and securely

The key matters to progress during this year are:

- Review of archived material
- Apply mechanisms to facilitate shared file storage between staff and between staff and learners
- Improvement to remote access arrangements
- Audit of digital images

- Implementation of Mobile Device Management Server
- Self-service password resets for all users
- Review of Office 365 GDPR compliance tools
- Use of protective marking for documents containing sensitive or personal data
- Continuing training for staff and ensuring all staff trained

Jenny Beaumont raised a question re Data Protection Compliance review visits to each academic department, both as to frequency and any recurring issues.

Mark Emerson indicated that dates are being organised for this academic year, given that they could not take place during lockdown. During these visits, there will be focus on the management of records held by each individual teacher, the storage and distribution of EHCP documentation and additional guidance will be provided on the storage and handling of video and digital images.

Mark Emerson informed the Committee that there is a separate Data Protection and GDPR Risk Register and Dartboard continues to be maintained and this is a subsidiary document underpinning the College's main Risk Register.

The Committee **RECOMMENDED** that the Report be approved by the Board at its Meeting on 4 December 2020.

658. COMMITTEE MATTERS

The Clerk **PRESENTED** the Annual Report of the Audit Committee 2019/20 for consideration by the Committee and, after discussion, the Committee **RECOMMENDED** it be approved by the Board at their Meeting on 4 December 2020.

The Report informs the disclosures made in the Annual Report of the College regarding Corporate Governance and Internal Control.

The Committee reaffirmed that, in its opinion, the Board can take assurance from the work of this Committee.

The Clerk **PRESENTED** a Report covering the Committee's Self-Assessment for 2019/20 and the Committee **NOTED** the responses from Members (five).

The Committee were informed that the average grade for graded questions awarded by members for the year was 1.9 (last year 1.83), virtually the same and slightly above Good (grade 2).

The Committee **AGREED** its Terms of Reference, subject to one change on page 4 which deleted reference to no member of this Committee can sit on the PFGP Committee, as this latter Committee no longer exists and **RECOMMENDED** that they be approved by the Board at its next Meeting on 4 December 2020.

The Committee also **NOTED** its compliance with the Terms of Reference during the 2019/20 year.

659. ANY OTHER BUSINESS

There were no items of AOB.

660. DATE OF NEXT MEETING

Tuesday 2 March 2021 at 4.30 pm.

There being no further business, the Meeting terminated at 6.40 pm.

Signed.....Dated.....